

In the United States  
Circuit Court of Appeals  
For the Ninth Circuit.

— 14

In the Matter of  
AMERICAN MARINE PRODUCTS COMPANY, a  
corporation,  
Debtor.

—

GLOBE GRAIN AND MILLING COMPANY, IN-  
DUSTRIAL OIL PRODUCTS CORPORATION,  
and MURRAY OIL PRODUCTS COMPANY,  
Appellants,

vs.

AMERICAN MARINE PRODUCTS COMPANY, a  
corporation,  
Appellee.

—

Transcript of Record

Upon Appeal from the District Court of the United States for the  
Southern District of California, Central Division.

FILED

APR - 1 1937



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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original record are printed literally in italics; and, likewise, cancelled matter appearing in the original record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italics the two words between which the omission seems to occur.]

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Names and Addresses of Solicitors.

For Appellants :

HIBBARD & KLEINDIENST, Esqs.,

LOUIS KLEINDIENST, Esq.,

121 East Sixth Street,

Los Angeles, California.

For Appellee :

LESLIE S. BOWDEN, Esq.,

433 South Spring Street,

Los Angeles, California ;

FRANK MERGENTHALER, Esq.,

548 South Spring Street,

Los Angeles, California.

United States of America, ss.

To American Marine Products Company and its attorneys, Leslie S. Bowden and Frank Mergenthaler.....  
 ..... Greeting:

You are hereby cited and admonished to be and appear at a United States Circuit Court of Appeals for the Ninth Circuit, to be held at the City of San Francisco, in the State of California, on the 3rd day of April, A. D. 1937 pursuant to order allowing appeal of record in the Clerk's Office of the District Court of the United States, in and for the Southern District of California, in that certain matter numbered No. 29145 H in the records of said court wherein the American Marine Products is a debtor under Sec. 77-B of the Bankruptcy Act and Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Co. are interveners and you are required to show cause, if any there be, why the order denying the above parties to intervene in the said matter mentioned, should not be corrected, and speedy justice should not be done to the parties in that behalf.

Witness, the Honorable H. A. Hollzer  
 United States District Judge for the Southern  
 District of California, this 4th day of March,  
 A. D. 1937 and of the Independence of the  
 United States, the one hundred and sixty-first.

H. A. Hollzer  
 U. S. District Judge for the Southern District  
 of California



Receipt of Copy of above Citation is  
hereby acknowledged this 4th day of  
March, 1937.

Leslie S. Bowden and  
Frank Mergenthaler

By Frank Mergenthaler  
Attorneys for American Marine Prod-  
ucts Company, Debtor above named.

(on back, stamped)

Filed R. S. Zimmerman Clerk  
9:23 Mar 4 1937 A. M.

By R. B. Clifton  
Deputy Clerk

IN THE UNITED STATES DISTRICT COURT, IN  
AND FOR THE SOUTHERN DISTRICT OF  
CALIFORNIA CENTRAL DIVISION

In the Matter of	)	No. 29,145-H
	)	
AMERICAN MARINE PRODUCTS	)	
COMPANY, a corporation,	)	
	)	
	)	Debtor.

DEBTOR'S PETITION FOR ITS CORPORATE  
REORGANIZATION

TO THE HONORABLE JUDGES OF THE DIS-  
COURT OF THE UNITED STATES:

The petition of the AMERICAN MARINE PROD-  
UCTS COMPANY, the Debtor herein, respectfully  
shows that:

1. The Debtor is a corporation duly organized and existing under the laws of the State of California, and for the six months last past, or for the greater portion thereof, has had its principal office and place of business at 548 South Spring Street, in the City of Los Angeles, State of California, within this Southern District of California, Central Division.

2. The Debtor is not a municipal, insurance or banking corporation nor a building or loan association nor a railroad corporation, but is a commercial corporation which could become a bankrupt under Section 4 of the Bankruptcy Act.

3. The filing of this petition has been duly directed by the Board of Directors of the Debtor corporation.

4. The nature of the Debtor's business is producing and selling fish oil and fish meal.

5. The Debtor has not been adjudged a bankrupt and no prior proceeding involving the sequestration of its assets, etc. is pending in any Court.

6. The Debtor is unable to meet its debts as they mature and desires to effect a plan of reorganization.

7. In brief description the Debtor's assets and liabilities are set forth in the annexed "Exhibit A" as of December 31, 1936.

8. The Debtor's capital stock consists of the following:

Authorized capital stock

Preferred: 50,000 shares no par value

Common: 250,000 " " " "

Outstanding capital stock

Preferred: 45,500 shares no par value

Common: 91,000 " " " "

9. A description in brief of the financial condition of said Debtor and a statement of the facts showing the Debtor's need for the relief herein sought are as follows:

The principal asset of the Debtor is the Steamship Currier. This steamship is subject to a certain first mortgage given to secure a promissory note in the sum of \$25,000.00, dated July 8, 1936, due July 8, 1937, bearing interest at the rate of five per cent (5%) per annum. Debtor purchased the Steamship Currier, an oil tanker, during the month of August, 1936, and immediately com-

menced converting the same into a floating factory for the production of fish oil and fish meal, which work could have been completed on or about November 15, 1936, but for the reason that on or about the 28th day of October, 1936, a general strike was declared by the Maritime and Shipyard Unions which made it impossible to complete the work on said ship within the time above stated, and for said reason it was not possible to operate the said floating factory until the middle of December, 1936, and thereby Debtor has been deprived of the revenue which could have been obtained from its products during the months of November and December, 1936.

Prior to the time said floating factory was completed Debtor had entered into certain agreements whereby Debtor agreed to sell certain quantities of fish oil and fish meal subject to production from the operation of said floating factory and prior to the time said floating factory was completed Debtor had entered into certain contracts with fishermen who had agreed to supply Debtor with quantities of fish for the production of fish oil and fish meal, however, because of the general strike hereinbefore mentioned Debtor was not able to operate said floating factory within the time estimated and a number of said fishermen abandoned their contracts with said Debtor. Because of the abandonment of the contracts by said fishermen, Debtor is not able to secure a sufficient quantity of fish to operate and sell to the buyers under the contracts heretofore mentioned, fish oil and fish meal at a profit, but Debtor is able to operate and sell its products

on the open market at the prevailing prices, which are higher than those specified in the contracts hereinbefore mentioned and Debtor believes that if it be permitted to operate said floating factory ship and to reject the executory sales contracts hereinbefore mentioned that it will be able to pay to all of its creditors the full amount due them within a limited period of time.

Under the plenary power of this Court under Section 77 (b) of the Bankruptcy Act a plan of reorganization can be worked out which will be fair to all of the creditors and the mortgagee under the mortgage hereinbefore referred to. The Debtor desires in the interest of such mortgagee and creditors as well as in its own interest to submit such a plan as will permit it to be placed upon a sound business basis and to enable it to earn sufficient money to eventually pay off all of its indebtedness without injury to any general creditor or the mortgagee, and thereby preserve and protect its assets for the benefit of its stockholders.

The Debtor submits that this is peculiarly a case for the protection of the Federal Courts contemplated by Section 77 (b) of the Bankruptcy Act, for the following reasons:

In its business it uses a certain type of sardine fish and a large quantity of said fish can be obtained from the high seas off the coast of Northern and Southern California between the months of September and April and it is feared that certain of Debtor's creditors may libel its floating factory ship which would thereby paralyze the same and effect not only the interests of all of the general creditors of Debtor but the interests of its stockholders as well.

WHEREFORE your petitioner prays:

1. That this petition be approved as properly filed under Section 77 (b) of the Bankruptcy Act, and that further proceedings be had in accordance with said section;

2. That the Debtor be continued temporarily in possession of the Debtor's estate;

3. That a hearing be held within thirty days after the approval of this petition, at which hearing, or any adjournment thereof, the judge shall make permanent the continuance of the Debtor in possession or appoint a trustee or trustees in its place;

4. That the Debtor be required to give notice of such hearing in such manner as the judge may direct, to creditors and stockholders and by publication at least once a week for two successive weeks;

5. That the Debtor be vested not only with all the powers of a trustee in bankruptcy but those, also, of a receiver in equity not inconsistent with Section 77 (b) of the said Bankruptcy Act;

6. That the Debtor be authorized, directed and empowered to continue its business, subject to the control of the judge by orders made from time to time in this proceeding, and for cause shown, be authorized to issue certificates for cash, property, or other consideration approved by the judge for such lawful purposes, and upon such terms and conditions and with such security and such priority in payment over existing obligations, secured or unsecured, as may be lawful;

7. That the Debtor be directed to file schedules that will disclose the conduct of the Debtor's affairs and the fairness of any proposed plan of reorganization, in accordance with Section 77 (b) of the Bankruptcy Act;

8. That contracts of the Debtor, executory in whole or in part be rejected, or amended where rejection or amendment thereof is proper;

9. That the Debtor be permitted, within a time to be fixed by the Judge, to submit a plan or plans or reorganization;

10. That a reasonable time be determined within which to file claims, and, for the purposes of this plan and its acceptance, the division of creditors and stockholders into classes be determined;

11. That all and every suit and proceeding against the debtor to fix or enforce a lien upon its property, or to enforce any claim to any property in its possession or control, be stayed, and all persons be enjoined from interfering in any way with the Debtor's possession and its conducting of business under the order of the judge; and that, in general, such orders be made by the judge from time to time as shall be proper in the reorganization of the Debtor corporation in accordance with the provisions of Section 77 (b) of the Bankruptcy Act; and that such other and further relief may be granted as to the judge may seem just.

AMERICAN MARINE PRODUCTS  
COMPANY, Debtor

By J. HARTJE MUELLER  
President.

Petitioner.

DATED: December 31, 1936.

LESLIE S. BOWDEN  
FRANK MERGENTHALER  
Attorneys for Petitioner

WHEREAS, it is to the best interest of this Corporation, its stockholders and creditors that a petition be filed by it in the District Court of the United States in and for the Southern District of California, Central Division, under Section 77B of the Bankruptcy Act.

BE IT RESOLVED that the officers of this Company be and they are hereby authorized and empowered to institute and prosecute a proceeding for the reorganization of this Corporation under Section 77B of the Bankruptcy Act and to employ counsel for such purpose, said proceeding to be instituted immediately.

BE IT FURTHER RESOLVED that application be made to the said Court to continue the Corporation in possession of its assets and property.

The undersigned, FRANK MERGENTHALER, does hereby certify that he is the duly elected and qualified Secretary of the AMERICAN MARINE PRODUCTS COMPANY, a corporation duly organized and existing under the laws of the State of California, and that the foregoing is a true and correct copy of a resolution of the Board of Directors of the said AMERICAN MARINE PRODUCTS COMPANY adopted at a special meeting of said Board held on the 29th day of December, 1936.

FRANK MERGENTHALER

Secretary of

(Corporate Seal) American Marine Products Company



EXHIBIT AASSETS

S. S. Currier, 4711 tons gross	\$698,129.00
Cash on hand	26,430.25
Claims against insurance companies	3,724.00
	<hr/>
	\$728,283.25
	<hr/> <hr/>

LIABILITIES

Mortgage due July 8, 1937	\$ 25,000.00
Interest on Mortgage to 12/31/36	447.89
Trade acceptances payable	30,000.00
Contracts payable	26,025.24
Promissory Notes payable (Incl. int. to 12/31/36)	15,816.58
Accounts payable	119,990.00
	<hr/>
	\$217,279.71
	<hr/> <hr/>

State of California            }  
 County of Los Angeles } ss

J. Hartje Mueller, being by me first duly sworn, deposes and says: That he is the President of the American Marine Products Company, a corporation, the Debtor in the above entitled matter, that he has read the foregoing Debtor's Petition for Its Corporate Reorganization and knows the contents thereof; and that the same is true of his own knowledge except as to the matters which are therein stated upon information or belief and as to those matters that he believes it to be true. That he makes this verification for and on behalf of said corporation.

J. HARTJE MUELLER

Subscribed and sworn to before me this 31st day of  
 December 1936

(Notarial Seal)

Delilah Otey Fawcett

Notary Public in and for the County of Los Angeles  
 States of California

Filed R. S. Zimmerman, Clerk 4:06 Dec. 31, 1936 P M  
 By R. B. Clifton Deputy Clerk

[TITLE OF COURT AND CAUSE.]

ORDER APPROVING DEBTOR'S REORGANIZATION PETITION AUTHORIZING DEBTOR'S CONTINUANCE IN POSSESSION, ETC.

The petition of the AMERICAN MARINE PRODUCTS COMPANY, the debtor, having been duly filed herein; and it appearing therefrom that the said debtor is a corporation that could become a bankrupt under Section 4 of the Bankruptcy Act, and is unable to meet its debts as they mature, and desires to effect a plan of reorganization; and the judge being satisfied that said petition complies with Section 77B of the Bankruptcy Act and has been filed in good faith; and it further appearing that it is proper that said debtor be authorized to continue in possession under the direction and control of the judge, with power to conduct the business and pay the expenses of so doing, Now it is

ORDERED, that said petition be and it hereby is approved as properly filed under Section 77B of the Bankruptcy Act; and it is further

ORDERED, that, subject to the direction and control of the judge and until further order herein, the debtor be and it hereby is authorized to continue in possession and control of all of its assets, properties, lands and estates, rights and franchises of whatever kind and description and wheresoever situated, and to have the same powers as those exercised by a receiver in equity and/or trustees in bankruptcy to the extent consistent with the provisions of Section 77B of Chapter 8 of the Acts of Congress relating to bankruptcy; and it is further

ORDERED that, not later than January 11, 1937, the Debtor shall file with the Clerk of this Court a list of its creditors and a statement of the assets and liabilities of the Debtor as of midnight December 31, 1936, and within ninety days after the close of each quarter year thereafter shall file with said Clerk a statement of the assets and liabilities of the Debtor as of the close of business on the last day of the preceding quarter year, together with a summary statement of the revenues and expenses of the Debtor for the preceding quarter year period; and it is further

ORDERED that the Debtor shall, within ten days after the entry of this order, cause notice to be mailed to each known creditor of the Debtor at his last known postoffice address, to all the stockholders of the Debtor, as the same may appear on the books of the Debtor; and to cause publication of such notice to be made at least once a week for two successive weeks in the Los Angeles Daily Journal, a newspaper published and having a general circulation in the City of Los Angeles, that a hearing will be held herein before the judge of this Court in Room No. 311 of the Federal Building, on the 25 day of January, 1937, at Two o'clock in the afternoon, to determine whether such appointment of such Debtor shall be made permanent or shall be terminated, and the Debtor continue in possession, or whether a trustee or trustees or an additional trustee or trustees shall be appointed by the Court; and it is further

ORDERED that the Debtor be and it hereby is authorized and directed, pending further order herein to conduct, manage, maintain, operate and keep in proper condition and repair the assets, properties and business of the

debtor wherever situated, whether in this State, judicial circuit and in the United States of America or elsewhere; and to manage, operate and conduct its business; and to this end to exercise its authority and franchises and discharge all duties obligatory upon it; and to employ and discharge and fix the compensation of all others, attorneys, managers, superintendents, agents and employees; to collect and receive the income, rents, revenues, tolls, issues and profits of said assets, properties and business; to collect all outstanding accounts, notes and interest on securities belonging to it, and, to the extent necessary to protect and preserve the assets, properties and business of the Debtor, to make and pay for additions and betterments to the properties of the Debtor, all according to law, and subject to such supervision and control by the judge or the Court as may be exercised by further orders entered herein; and it is further

ORDERED that the Debtor be and it hereby is authorized, in its discretion, from time to time and until further order herein, out of funds now or hereafter coming into its hands to pay:

(a) All necessary current expenses of the Debtor in preserving the assets and properties and in conducting the business of the Debtor, including among other expenses the wages, salaries and compensation of the officers, attorneys, counsel, managers, superintendents, agents or employees retained by the Debtor, also all sums now due or hereafter becoming due to other persons or corporations for the necessary occupation and services, jointly or otherwise, of buildings and premises and any other services necessary to the continued operation of the Debtor's business, and such sums as may be necessary to comply with

the obligations of the Debtor under contract by virtue of which said occupation, use or services may now or hereafter be enjoyed; but such payments shall not constitute affirmations of said contracts or any of them;

(b) The costs of maintaining the corporate existence of the Debtor, including the necessary expenses for the preservation of the records and the registration and transfer of its stocks and bonds and trustee's charges under indentures, under which securities of the Debtor have been or may be issued;

(c) The expenses of printing pleadings, motions, petitions, and orders now on file or hereinafter filed in this case, which are reasonably necessary to be printed in such quantities as shall provide copies for the use of the Court, the Trustees, the Debtor, the parties to the cause, and such others as may have a substantial interest therein; such expenses to be taxed as costs in this case; and it is further

ORDERED that, pending further order in the premises, the Debtor is authorized and empowered to institute or prosecute in any court, or before any tribunal of competent jurisdiction, all such suits and proceedings as may be necessary or proper for the recovery or protection of the properties or rights of the Debtor, and to make settlement of any thereof; and likewise to defend any actions, claims, proceedings or suits which are now pending against the Debtor, or which may hereafter be asserted or brought in any court or before any officer, department, commission or tribunal, to which the debtor shall be a party; but no payment shall be made by the Debtor in respect of any

such claims, actions, proceedings, or suits; and no action taken by the Debtor in defense or settlement of such claims, actions, proceedings, or suits shall have the effect of establishing any claim upon or right in the properties or funds in the possession of the Debtor that otherwise would not exist; and it is further

ORDERED that all persons, firms, and corporations, their officers, agents, attorneys, servants and employees, including sheriffs and marshals, whether creditors or claiming to be creditors or having or claiming to have any right, title or interest in or to any property of the Debtor, be and they hereby are enjoined and restrained from interfering with, attaching, garnisheeing, levying upon, or enforcing liens upon, removing, or in any manner whatsoever interfering with, disturbing or attempting to interfere with or disturb any portion of the assets, goods, moneys, properties and premises belonging to or in the possession of the Debtor, or any agent of the Debtor, and from taking possession of any of the property in the Debtor's possession or control, and from interfering in any other manner with the Debtor's discharge of its duties and obligations in the maintenance and operation of said assets, properties and business under the orders of the judge or of this Court, or from instituting or prosecuting or continuing the prosecution of any action at law or proceeding in equity or bankruptcy against the Debtor in any court of law or equity or bankruptcy or before any association, organization, commission, board, referee or other court or tribunal, or otherwise; and it is further

ORDERED that full right and jurisdiction be and it hereby is reserved to make, from time to time, such orders as the judge shall deem proper, including among others, orders fixing the time within which any plan of reorganization shall be proposed, accepted and confirmed, requiring the Debtor to file such schedules and submit such information as may be necessary to disclose the conduct of the Debtor's affairs and the fairness of any proposed plan, determining a reasonable time within which claims and interests of creditors and stockholders may be filed or evidenced and after which no such claim or interest may participate in any plan, except on order for cause shown, the manner in which such claims and interests may be filed or evidenced and allowed, for creditors and stockholders into classes according to the nature of their respective claims and interests, and in general, such orders amplifying, extending, limiting or otherwise modifying this order as to the judge may at any time seem proper.

DATED: December 31st, 1936.

H. A. HOLLZER,  
District Judge

Filed R S Zimmerman Clerk 4:48 Dec 31, 1936 p m  
By R B Clifton Deputy Clerk



At a stated term, to wit: The September Term, A. D. 1936, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles, California, on Monday, the 18th day of January, in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable GEO. COSGAVE, District Judge.

In the Matter of	)	
	)	
American Marine Products	)	No. 29145-H Bkcy.
Company, a corp.,	)	
	)	Debtor.

This matter coming on for hearing on petition of Vegetable Oil Products Company, Inc., to Intervene; C. W. Hobson, Esq., appearing for intervenor; Leslie S. Bowden and Frank Mergenthaler, Esqs. appearing for debtor;

C. W. Hobson, Esq., makes a statement in support of petition;

Leslie S. Bowden, Esq., makes a statement in opposition;

It is ordered petition to intervene is hereby granted.

At a stated term, to wit: The September Term, A. D. 1936, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles, California, on Monday, the 25th day of January, in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable HARRY A. HOLLZER, District Judge.

In the Matter of	)	
	)	
American Marine Products Co.,	)	No. 29145-H Bkcy.
a corp.,	)	
	)	Debtor.

This matter coming on for (1) hearing on order directed to Stockholders to show cause why order continuing debtor in possession should not be made permanent or said order be terminated and trustee appointed; (2) hearing petition of Pacific Coast Engineering Company to transfer proceedings to the Northern District of California, Southern Division; David D. Oliphant, Jr. Esq., appearing for petitioner; L. S. Esselstyn, Esq., appearing for Currier S. S. Co.; L. Kleindienst, Esq., appearing for Globe Grain & Milling Co.; Leslie S. Bowden and Frank Mergenthaler, Esqs., appearing for debtor; Stuart L. Lapp, Esq., appearing for Hamonson & Co.; W. C. Shelton, Esq., appearing for Wilbur Ellis Co.; C. W. Thomson, Esq., appearing for Vegetable Oil Products Co.; Paul Fussell, Esq., appearing for certain stockholders; and H. A. Dewing being present as official stenographic reporter;

L. Kleindienst, Esq., asks leave to file petition in intervention of Globe Grain & Milling Co., and there being no objection, it is ordered filed and ordered stand submitted.

D. D. Oliphant, Jr., and L. S. Esselstyn, Esqs., then state they object to intervention;

W. C. Shelton, Esq., makes statement;

D. D. Oliphant, Jr., Esq., argues in support of (2);

J. Hartje Mueller is sworn and testifies on examination by D. D. Oliphant, Jr., L. S. Bowden, C. W. Thomson, Esqs., and by the Court;

Paul Fussell, Esq., makes statement;

At 4:30 p. m. after a twenty minute recess, court reconvenes, and all being present as before,

J. Hartje Mueller resumes the stand and testifies further on examination by D. D. Oliphant, Jr., Esq.,

Frank Mergenthaler is sworn and testifies on examination by L. S. Bowden, Paul Fussell, D. D. Oliphant, Jr., Esqs., and by the Court;

D. D. Oliphant, Jr., Esq., argues further in support of (2);

L. S. Bowden, S. L. Lapp, C. W. Thomson, L. S. Esselstyn, Paul Fussell and L. Kleindienst, Esqs., argue in opposition to (2);

The Court denies petition to transfer to Northern District of California and an exception is noted to petitioner.

It is ordered this matter is hereby continued to January 26, 1937, at 2:00 p. m. for further hearing on order continuing debtor in possession, etc.

At a stated term, to wit: The September Term, A. D. 1936, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof. in the City of Los Angeles, California, on Tuesday, the 26th day of January, in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable HARRY A. HOLLZER, District Judge.

In the Matter of	)	
	)	
American Marine Products Co.,	)	No. 29145-H Bkcy
a corp.	)	
	)	
	)	Debtor.

This matter coming on for hearing on order directed to stockholders to show cause why order continuing debtor in possession should not be made permanent or said order be terminated and trustee appointed; David D. Oliphant, Jr., Esq., appearing for Pacific Coast Engineering Co.; Frank Mergenthaler, Esq., appearing for Currier S. S. Co.; L. Kleindienst, Esq., appearing for Globe Grain & Milling Co.; Paul Fussell, Esq., appearing for Battson, Barnes & Lester, Inc., & Nelson Douglas & Co.; Leslie S. Bowden, and Frank Mergenthaler, Esqs., appearing for

the debtor; Stuart L. Lapp, Esq., appearing for Hamons & Co.; G. W. Burch, Esq., appearing for Wilbur Ellis Co.; C. W. Hobson, Esq., appearing for Vegetable Oil Products Co.; Charles G. Murray and R. W. Jones being present as stenographic reporters;

At 2:45 p. m. counsel answer ready, and it is ordered to proceed;

L. S. Bowden, Esq., makes statement asking that debtor remain in possession;

S. L. Lapp and Paul Fussell, Esqs., state number of shares of stock held by their clients and object to the continuance of debtor in possession;

Frank Mergenthaler, Esq., states that Currier S. S. Co. wishes debtor to remain in possession;

L. Kleindienst, Esq., makes statement in support of petition in intervention of Globe Grain & Milling Co.;

C. W. Hobson, Esq., makes statement on behalf of Vegetable Oil Products Co. and objects to debtor remaining in possession;

G. W. Burch, Esq., makes statement upon behalf of Wilbur Ellis Co., and objects to debtor remaining in possession;

The Court makes statement and denies without prejudice petition of Globe Grain & Milling Co. to intervene;

D. D. Oliphant, Jr., Esq., argues in opposition to continuation of debtor in possession;

M. A. Leonis is sworn and testifies in support of debtor's application to remain in possession, on examination by L. S. Bowden, Esq.,

Various counsel make statements re support or opposition to continuing debtor in possession;

At 3:58 p. m. after a short recess, court reconvenes, and all appearing as before, it is ordered to proceed,

E. T. Meakin is sworn and testifies on examination by the Court, L. S. Bowden, S. L. Lapp, D. D. Oliphant Jr., and Paul Fussell, Esqs., on behalf of claim of Calif. Press Manufacturing Co., and asks that debtor remain in possession;

Jack Hurley, Jr., is sworn and testifies on behalf of claim of Dow-Hurley Marine Works upon examination by the Court, L. S. Bowden, D. D. Oliphant, Jr., L. Klein-dienst, and S. L. Lapp, Esqs.,

J. H. Mueller, heretofore sworn in this matter, is called and testifies on examination by L. S. Bowden and D. D. Oliphant, Jr., Esqs., and

At 5:05 p. m. court recesses in this matter until January 27, 1937, at 10:00 a. m.

At a stated term, to wit: The September Term, A. D. 1936, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles, California, on Wednesday, the 27th day of January, in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable HARRY A. HOLLZER, District Judge.

In the Matter of	)	
	)	
American Marine Products Co.,	)	No. 29145-H Bkcy.
a corp.,	)	
	)	Debtor

This matter coming on for further hearing on order directed to stockholders to show cause why order continuing debtor in possession should not be made permanent or said order be terminated and Trustee be appointed; David D. Oliphant, Jr., Esq., appearing for Pacific Coast Engineering Co., L. S. Esselstyn, Esq., appearing for Currier S. S. Co., L. Kleindienst, Esq., appearing for Globe Grain & Milling Co., Paul Fussell, Esq., appearing for Battson, Barnes & Lester, Inc., and Nelson Douglas & Co., Leslie S. Bowden, Esq., and Frank Mergenthaler, Esq., appearing for debtor; Stuart L. Lapp, Esq., appearing for Hamons & Co., W. C. Shelton, Esq., appearing for Wilbur Ellis Co., C. W. Hobson, Esq., appearing

for Vegetable Oil Products Co., R. W. Jones being present as official court reporter; Attorney Sutton appearing for Calif. Press Mfg. Co. at 10:08 a. m. counsel answer ready, the Court makes a statement and orders to proceed;

L. S. Bowden, Esq., makes statement re meeting with Board of Directors of Debtor;

D. D. Oliphant, Jr., Esq., Frank Mergenthaler, Esq., L. S. Esselstyn, Esq., Paul Fussell Esq., S. L. Lapp, Esq., Attorney Sutton and L. Kleindienst, Esq., make statements;

At 11:05 a. m. after a twenty minute recess, court reconvenes, and all being present as before,

Various counsel make statements;

L. Kleindienst, Esq., renews motion that Globe Grain & Milling Co. be allowed to intervene, and it is ordered that this matter be placed on Monday calender February 1, 1937 at 10:00 a. m.

It is ordered that Paul Fussell prepare an order appointing a trustee, leaving blank in place for the name of the Trustee and that bond be fixed in the amount of \$50,000.00 and that claims may be filed on or before March 15, 1937, and that a blank be left in the order to place the final date upon which a plan of reorganization may be filed.

It is further ordered that debtor may get the S. S. "Currier" ready for the fishing cruise and provision said ship.



[TITLE OF COURT AND CAUSE.]

PETITION OF THE GLOBE GRAIN AND MILL-  
ING COMPANY AND INDUSTRIAL OIL  
PRODUCTS CORPORATION TO INTERVENE.

TO THE HONORABLE JUDGES OF THE ABOVE-  
ENTITLED COURT:

Come now the Globe Grain and Milling Company, a corporation duly organized and existing under and by virtue of the laws of the State of California, and Industrial Oil Products Corporation, a corporation organized and existing under and by virtue of the laws of the State of California, and petition this honorable Court for leave to intervene in the above-entitled matter, and for grounds thereof allege:

I

Globe Grain and Milling Company, one of your petitioners, and the debtor herein, during the month of July, 1936, entered into their three contracts of sale whereby the debtor agreed to furnish and deliver to petitioner, Globe Grain and Milling Company, 1240 tons of sardine meal of the quality therein described at the price of \$31.00 per ton for 1,000 tons thereof, and \$32.00 per ton for 240 tons of said meal, true copies of each of said contracts being attached hereto as Exhibits "A", "B", and "C", respectively, and by reference made a part hereof as though herein fully set out. That no part of said meal has been delivered by debtor to said petitioner.

II

That the market price of said sardine meal of the quality described in said contracts is now the sum of \$50.00

per ton. That on or about the 7th day of January, 1937, the debtor notified the petitioner, Globe Grain and Milling Company, that it intended to disaffirm and reject said contracts subject to the approval of this honorable Court, and further notified the petitioner, Globe Grain and Milling Company that debtor did not intend to deliver said meal or any part thereof.

### III

That Industrial Oil Products Corporation, one of your petitioners, and the debtor herein, during the month of July, 1936, entered into a contract of sale whereby the debtor agreed to furnish and deliver to petitioner, Industrial Oil Products Corporation, 10 Standard Seller's Tank Cars of Prime Crude Sardine Oil, of the quality therein described, at the price of 30 cents per gallon, to be delivered as therein set out. That a Standard Seller's Tank Car contains 8,000 gallons. That a true copy of said contract is hereunto attached and marked Exhibit "D", and by reference made a part hereof as though herein fully set out. That no part of said oil has been delivered by the debtor.

### IV

That the market value of said oil of like quality during the month of December, 1936, and the month of January, 1937, is and has been 50 cents per gallon. That on or about the 25th day of January, 1937, the debtor advised this petitioner that it did not intend to deliver said oil or any part thereof.

### V

Petitioners are informed and believe that the debtor entered into said contract and contracts of a similar nature with others wherein it, the debtor, agreed to sell its

products to be thereafter produced and that the gross sales of said like merchandise amounted to the sum of \$800,000.00, and that the debtor has made no effort in good faith to fulfill said contracts of sale to these petitioners and others of a like class, although the debtor did use said contracts of sale for the purpose of advancing the sale of its corporate capital stock to the public.

#### VI

That said petitioner, Industrial Oil Products Corporation, is informed and believes that there is now in the possession of the debtor about 45,000 gallons of such sardine oil, and the debtor threatens to sell the same to others than this petitioner and under the orders of this Court; that this petitioner, Industrial Oil Products Corporation, claims an equitable right in said oil and a right to be heard in the disposition thereof.

#### VII

That the petitioner, Globe Grain and Milling Company, is informed and believes that the debtor has now in its possession large quantities of sardine meal of the quality described in Exhibits "A", "B" and "C" hereto attached, and that the debtor has threatened to dispose of said merchandise to others than said petitioner, under orders of this Court, and that sales to others will be detrimental to the interests of said petitioner. That said petitioner, Globe Grain and Milling Company, claims an equitable right in said meal and a right to be heard in the disposition thereof.

#### VIII

That on or about the 31st day of December, 1936, this honorable Court entered its order approving the reorganization petition of debtor as properly filed under Sec. 77-B

of the Bankruptcy Act, and further ordered that the debtor remain in control of its assets with like powers exercised by a receiver or trustee in bankruptcy as in said act provided.

## IX

That the interest of your petitioners is large and petitioners desire that their counsel be fully advised in all proceedings herein taken; that they be represented by counsel at all proceedings herein; that by reason of the debtor's default in fulfilling said contracts and the breach thereof on its part, matters will come before the Court in these proceedings which materially affect the rights of petitioners and all persons to whom the debtor is obligated in a like manner, and that these petitioners would not have proper representations by counsel in such proceedings unless parties thereto.

## X

That this petition is made on behalf of the Globe Grain and Milling Company, a corporation, and Industrial Oil Products Corporation, a corporation, and all persons who have unfilled contracts and care to be a party hereto and join herein; that the interest of such persons will not be adequately protected unless they be permitted to intervene and to be at all times represented by counsel.

WHEREFORE, your petitioners pray that they be permitted to intervene in said proceedings.

HIBBARD & KLEINDIENST

By Louis Kleindienst

Attorneys for Petitioners, Globe  
Grain and Milling Company and  
Industrial Oil Products Corpora-  
tion.

STATE OF CALIFORNIA )  
 ) SS.  
 County of Los Angeles )

J. R. GOODWIN, being by me first duly sworn, deposes and says: That he is the Secretary of Globe Grain and Milling Company, one of the petitioners herein; that he has read the foregoing petition and knows the contents thereof and that the same is true of his own knowledge, except as to those matters that are therein stated on information and belief, and as to such matters that he believes it to be true. That he makes this verification on behalf of the Globe Grain and Milling Company.

J R Goodwin

Subscribed and sworn to before me this 28th day of January, 1937,

[Seal] Howard W. Todd  
 Notary Public in and for the County of Los Angeles,  
 State of California

STATE OF CALIFORNIA )  
 ) SS.  
County of Los Angeles )

VICTOR J. POLL, being by me first duly sworn, deposes and says: That he is the Treasurer of Industrial Oil Products Corporation, one of the petitioners herein; that he has read the foregoing petition and knows the contents thereof and that the same is true of his own knowledge, except as to those matters that are therein stated on information and belief, and as to such matters that he believes it to be true. That he makes this verification on behalf of the Industrial Oil Products Corporation.

Victor J Poll

Subscribed and sworn to before me this 28th day of  
January, 1937,

[Seal]

Howard W. Todd

Notary Public in and for said County of Los Angeles,  
State of California

[TITLE OF COURT AND CAUSE.]

PETITION OF MURRAY OIL PRODUCTS COMPANY TO INTERVENE.

TO THE HONORABLE JUDGES OF THE ABOVE-ENTITLED COURT:

Comes now Murray Oil Products Company, and adopts the petition of the Globe Grain and Milling Company and hereby joins in said petition as an intervener, and further alleges:

I

That petitioner is a corporation duly existing under and by virtue of the laws of the State of Pennsylvania, with its principal place of business in the City of Philadelphia.

II

That on or about the 14th day of July, 1936, petitioner and the debtor herein entered into a contract of sale whereby the debtor agreed to sell 10 cars of 8000 gallons each of sardine oil of a quality therein described, for the sum of 30 cents per gallon. That said contract is attached hereto, marked Exhibit "E", and made a part hereof as though fully set out herein.

WHEREFORE, this petitioner prays that it be permitted to intervene in said proceedings.

HIBBARD & KLEINDIENST

By Louis Kleindienst

Attorneys for Petitioner, Murray  
Oil Products Company

STATE OF CALIFORNIA )  
 ) SS.  
 County of Los Angeles )

VICTOR J. POLL being by me first duly sworn, deposes and says: That he is the Agent of MURRAY OIL PRODUCTS COMPANY, the petitioner herein; that he has read the foregoing petition and knows the contents thereof and that the same is true of his own knowledge, except as to those matters that are therein stated on information and belief, and as to such matters that he believes it to be true. That he makes this verification on behalf of the MURRAY OIL PRODUCTS COMPANY.

Victor J Poll.

Subscribed and sworn to before me this 28th day of January, 1937,

[Seal]

Howard W Todd

Notary Public in and for the County of Los Angeles,  
 State of California



EXHIBIT ASNOW BROKERAGE COMPANY

Los Angeles, Calif.

July 17, 1936

File Number 14640

Please refer to

This contract as

CONTRACT NO. 14640

SELLER	AMERICAN MARINE PRODUCTS COMPANY 685 Chamber of Commerce Bldg. Los Angeles, California.
BUYER	Globe Grain and Milling Company Ogden, Utah
COMMODITY	Sardine Meal, Guaranteed Minimum 65% Protein, F. A. Q. Color and Grind to be made from whole fish, and packed in 100 lb. net weight sacks.
QUANTITY	One Hundred Eighty (180) Tons
PRICE	Thirty-two Dollars (\$32.00) per ton f. o. b. cars San Francisco, Calif.
TERMS OF PAYMENT:	Sight draft/Bill of Lading
TIME OF SHIPMENT:	November, 1936, to March 1937, in- clusive, one car each month, subject to production SSCurrier.

ROUTING            To buyer at Ogden, Utah

BILLING:            Globe Grain and Milling Company,  
Ogden, Utah

REMARKS            Analysis tags will be furnished by  
seller

WFB/s                Thank you

                          This meal to follow 2,000 tons previ-  
ously sold to others.

OTHER CONDITIONS – Either party shall not be liable for delays in delivery or acceptance when caused by partial or total interruption of transportation facilities, nor when such delays are caused by inability to secure freight space or tank cars, or by war, embargoes, or other acts of any Government or Governmental authority, strikes, riots, civil commotions, explosions, fires, acts of God, or other causes beyond Buyer's or Seller's control. Any tax or other governmental charge upon the production and/or sale and/or shipment of the material herein specified imposed by the Federal, state or municipal authorities, and any increase in port charges, and hereafter becoming effective within the life of this contract shall be paid by the Buyer.

AMERICAN MARINE PRODUCTS COMPANY –  
SELLER

ACCEPTED            SNOW BROKERAGE COMPANY

By J. Hartje Mueller    (Signed)

                          By William F. Bird (Signed)

GLOBE GRAIN & MILLING COMPANY-BUYER

By O. H. Morgan, Pres.    (Signed)

EXHIBIT BSNOW BROKERAGE COMPANY

Los Angeles, Calif.

July 18, 1936

File No. 14641

Please refer to  
this contract as  
CONTRACT NO.

SELLER	American Marine Products Company 685 Chamber of Commerce Building Los Angeles, California
BUYER	Globe Grain & Milling Company Ogden, Utah
COMMODITY	Sardine Meal, guaranteed Minimum 65% Protein, F. A. Q., Color & Grind, To be made from Whole fish, and packed in 100 lb. net weight sacks.
QUANTITY	Sixty (60) tons
PRICE	Thirty-two Dollars (\$32.00) per ton F. O. B. Cars San Francisco, Calif.
TERMS	
OF PAYMENT:	Sight Draft/Bill of Lading
TIME OF	
SHIPMENT:	November, 1936, to March, 1937, in- clusive, subject to production, SSCur- rier
ROUTING	To buyer at Ogden, Utah
BILLING	Globe Grain and Milling Company, Ogden, Utah

REMARKS: Thank you.  
 Analysis Tags will be furnished by  
 Seller  
 This meal to follow 2,680 tons previously sold.

WFB/s

OTHER CONDITIONS: Either party shall not be liable for delays in delivery or acceptance when caused by partial or total interruption of transportation facilities, nor when such delays are caused by inability to secure freight space or tank cars, or by war, embargoes, or other acts of any Government or Governmental authority, strikes, riots, civil commotions, explosions, fires, acts of God, or accidents, or other causes beyond Buyer's or Seller's control.

Any tax or other governmental charge upon the production and/or sale and/or shipment of the material herein specified imposed by the Federal, State or Municipal authorities, and any increase in port charges, and hereafter becoming effective within the life of this contract shall be paid by the Buyer.

AMERICAN MARINE PRODUCTS COMPANY -  
 SELLER

Accepted:

By J. Hartje Mueller (Signed)

GLOBE GRAIN AND MILLING COMPANY -  
 BUYER

By O. H. Morgan, Pres. (Signed)

SNOW BROKERAGE COMPANY

By William F. Bird (Signed)

As Brokers only

EXHIBIT C

Contract

SNOW BROKERAGE COMPANY

Imports, Brokers, Exports

3039 East Twelfth Street – Telephone ANgelus 5135 –

Mailing Address:

Box 417 Arcade Annex

LOS ANGELES, CALIFORNIA

July 23, 1936

FILE NUMBER 14657

Please refer to

this contract as

CONTRACT NO. 14657

SELLER	American Marine Products Company 685 Chamber of Commerce Building Los Angeles, California
BUYER	Globe Grain and Milling Company 907 East Third Street Los Angeles, California
COMMODITY	Prime Sardine Meal, Guaranteed Minimum 65% Protein, 100 lb. net weight bags.
QUANTITY:	One Thousand (1,000) Tons.
PRICE:	Thirty-one Dollars (\$31.00) per ton F. O. B. Pacific Coast Ports, as below.

## TERMS

OF PAYMENT: Sight Draft/Bill of Lading

## TIME OF

SHIPMENT: 200 tons each November, December, January, 1936-37 F. O. B. San Francisco

200 tons February, 1937, F. O. B. San Francisco or Los Angeles, Seller's option.

200 tons March, 1937, F. O. B. Los Angeles, subject to production, S. S. Currier.

ROUTING: To buyer's order.

BILLING: Globe Grain and Milling Company, Los Angeles.

REMARKS: Tag meal and buyer will pay tonnage tax except when meal ordered for out of State.

WFB/s Thank you.  
This meal to follow 2,740 tons previously sold.

OTHER CONDITIONS:- Either party shall not be liable for delays in delivery or acceptance when caused by partial or total interruption of transportation facilities, nor when such delays are caused by inability to secure freight space or tank cars, or by war, embargoes, or other acts of any Government or Governmental authority,

strikes, riots, civil commotions, explosions, fires, acts of God, or accidents, or other causes beyond Buyer's or Seller's control, to include failure of usual sardine run.

Any tax or other governmental charge upon the production and/or sale and/or shipment of the material herein specified imposed by the Federal, State or Municipal authorities, and any increase in port charges, and hereafter becoming effective within the life of this contract shall be paid by the Buyer.

AMERICAN MARINE PRODUCTS COMPANY –  
SELLER

Accepted: By J. Hartje Mueller (signed)

GLOBE GRAIN AND MILLING COM-  
PANY – BUYER

By O. H. Morgan, Pres. (Signed)

SNOW BROKERAGE COMPANY

By William F. Bird (Signed)

As Brokers only.

EXHIBIT D

## CONTRACT

SNOW BROKERAGE COMPANY  
IMPORTS - BROKERS - EXPORTS

3039 East Twelfth Street - Telephone ANgeles 5135

Mailing Address Box 417 Arcade Station.

LOS ANGELES, CALIFORNIA

July 14, 1936

FILE NUMBER 14633

Please Refer to this Contract as  
CONTRACT NO. 14633

SELLER: American Marine Products Company,  
685 Chamber of Commerce Bldg.  
Los Angeles, California.

BUYER: Industrial Oil Products Company,  
5641 South Riverside Drive,  
Los Angeles, California.

COMMODITY: Prime Crude Sardine Oil, Maximum  
2% F.F.A., Basis 1% M.I.U.  
Maximum 3% Color Light

QUANTITY: Ten (10) Standard Seller's Tank Cars.

PRICE: Thirty Cents (30¢) per gallon F.O.B.  
San Francisco or Wilmington or San  
Pedro, California, Seller's Option.

TERMS OF

PAYMENT: Sight Draft/Bill of Lading.

TIME OF  
SHIPMENT: 5 Cars December, 1936, 5 cars Janu-  
ary, 1937, with 30 days delay allowed  
for bad fishing weather subject to pro-  
duction, SS Currier., first five cars pro-  
duced in each month.



ROUTING: To buyer at Los Angeles.  
 BILLING Industrial Oil Products Company, Los Angeles.  
 REMARKS: Curtis & Tompkins or Gooch analysis to govern.  
 WFB/s Thank you.

OTHER CONDITIONS:—Either party shall not be liable for delays in delivery or acceptance when caused by partial or total interruption of transportation facilities, nor when such delays are caused by inability to secure freight space or tank cars, or by war, embargoes, or other acts of any Government or Governmental authority, strikes, riots, civil commotions, explosions, fires, acts of God, or accidents, or other causes beyond Buyer's or Seller's control.

Any tax or other governmental charge upon the production and/or sale and/or shipment of the material herein specified imposed by the Federal, State or Municipal authorities, and any increase in port charges, and hereafter becoming effective within the life of the contract shall be paid by the Buyer.

AMERICAN MARINE PRODUCTS  
 COMPANY—SELLER.

Accepted:

By J. HARTJE MUELLER (Signed)

INDUSTRIAL OIL PRODUCTS  
 COMPANY—BUYER

By H. MacFAUL

SNOW BROKERAGE COMPANY

By WILLIAM F. BIRD (Signed)

As Brokers only.

EXHIBIT E

R. J. ROESLING &amp; COMPANY

SAN FRANCISCO      CHICAGO      NEW YORK

Date July 14, 1936.      CONTRACT      No. 2110

SELLER:      American Marine Products Company,  
Los Angeles, California.PURCHASER:      Murray Oil Products Company, Phila-  
delphia, Pennsylvania.

COMMODITY:      Light California Sardine Oil.

QUANTITY:      Ten (10) tank cars of about 8,000  
gallons capacity each.QUALITY:      Maximum 2% FFA. usual allowances  
Moisture and Impurities Over 1%  
Maximum 3%.SHIPMENT:      51st to 60th tank inclusive beginning  
anticipated production October 1936,  
subject to production, SS Currier.PRICE:      Thirty (30¢) Cents per gallon of 7½  
pounds, fob. tank cars, San Francisco  
Bay area or Los Angeles Harbor, at  
sellers option.TERMS OF  
PAYMENT:      Sight draft against bills of lading,  
weight certificate and certificate of  
analysis.

REMARKS:       Weights:   Bureau   Transcontinental  
                      Freight.

1. Any tax or other governmental charge levied or imposed by Federal, State or Municipal authorities upon the production, sale or shipment of the commodity herein specified or affecting the subject of this contract, shall be added to the contract price herein specified, and shall be paid by the buyer.
  
2. Pacific Coast sampling and analysis shall be final unless otherwise specifically stated in contract. On all deliveries involving shipment by rail, Transcontinental Freight Bureau weight certificate shall govern.
  
3. Separate and independent contracts for sale for the several installments agreed to be delivered, are intended, and no breach by the seller as to a particular installment shall affect the contract for any other installment; but, if the buyer shall fail to make any payment as provided, or to fulfill the terms of this, or any other agreement with the seller, the seller may, without prejudice to other lawful remedy, defer further deliveries, or at its option cancel this or any other contracts with the buyer.
  
4. The sellers are not responsible for non-delivery, or delay of delivery caused by strikes, fire, floods, droughts, accidents, war, insurrection, lockouts, break-down of machinery, perils of the sea, railroad

embargoes or any other contingency on overland railroads beyond the sellers' control or any other unavoidable causes.

5. Any dispute arising under this contract is to be settled by arbitration in San Francisco, California, upon immediate demand on the part of either sellers or buyers, the decision of the arbitration being final and binding on both parties.

MURRAY OIL PRODUCTS  
COMPANY

By FRED E. LOUD      Pres.

BUYERS

AMERICAN MARINE PRODUCTS  
COMPANY

By J. Hartje Mueller

SELLERS

R. J. ROESLING & COMPANY

As Brokers Only.

per J. ROESLING

[Endorsed]: Filed 10:30 a m Feb 1 - 1937 R. S. Zimmerman, Clerk By L Wayne Thomas Deputy Clerk

At a stated term, to wit: The February Term, A. D. 1937, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles, California, on Monday, the first day of February in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable HARRY A. HOLLZER, District Judge.

In the Matter of	)	
	)	
American Marine Products Co.,	)	No. 29145-H Bkcy.
a corp.,	)	
	)	Debtor.

This matter coming on for hearing on petition of Globe Grain & Milling Co., et al., to intervene; Frank Mergenthaler, Esq., appearing for Currier S. S. Co., and L. Kleindienst, Esq., appearing for Globe Grain & Milling Co., make statements to the Court, whereupon,

It is ordered this matter be continued to February 4, 1937 for submission and that at that time exception to be noted to any injured party as to the decision of the Court, and it is further ordered that parties contact attorneys for trustee and that trustee notify interested parties of and proceedings in this case.

[TITLE OF COURT AND CAUSE.]

ANSWER TO PETITIONS OF GLOBE GRAIN AND  
MILLING COMPANY, INDUSTRIAL OIL  
PRODUCTS CORPORATION, AND MURRAY  
OIL COMPANY, TO INTERVENE.

Comes now the Debtor above named, and answering the petitions of Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Company to intervene in this proceeding, alleges as follows:

I.

Denies each and every allegation contained in Paragraph V of the petition of the Globe Grain and Milling Company, Industrial Oil Products Corporation, and Murray Oil Products Company.

II.

Denies each and every allegation contained in Paragraph VII of the petition of the Globe Grain and Milling Company, Industrial Oil Products Corporation, and Murray Oil Products Company.

AND AS A FURTHER, SEPARATE AND DISTINCT DEFENSE TO SAID PETITIONS FOR INTERVENTION, DEBTOR ALLEGES:

I.

That none of the petitioners herein have any equitable interest, or otherwise, in any of Debtor's products now

on hand. That as to the contracts of the Globe Grain and Milling Company, said Globe Grain and Milling Company has no right to purchase from Debtor any products until Debtor has produced and sold two thousand (2,000) tons to other parties.

That Debtor has not produced in excess of five hundred (500) tons of meal since it commenced operations in November, 1936, and that during the present fishing season it is doubtful whether Debtor will produce, in the ordinary course of business, two thousand (2000) or fifteen hundred (1500) tons of meal.

That all of said contracts are made subject to production of the S. S. Currier.

That at the date of the filing of the petition in this proceeding, to-wit: December 31, 1936, none of said petitioners were creditors of this Debtor.

WHEREFORE, Debtor prays that the petitions of Globe Grain and Milling Company, Industrial Oil Products Corporation, and Murray Oil Products Company to intervene in this proceeding be denied.

LESLIE S. BOWDEN

FRANK MERGENTHALER

Attorneys for Debtor

STATE OF CALIFORNIA        )  
   ) ss  
 COUNTY OF LOS ANGELES    )

A. W. Taylor, being by me first duly sworn, deposes and says: That he is an officer, to-wit: Vice-President of the American Marine Products Company, a California corporation, Debtor in the above entitled matter, and makes this verification for and on behalf of the above named corporation, that he has read the foregoing Answer to Petitions of the Globe Grain and Milling Company, Industrial Oil Products Corporation, and Murray Oil Products Company to Intervene and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters which are therein stated upon information or belief, and as to those matters that he believes it to be true.

A. W. Taylor

Subscribed and sworn to before me this 2 day of February 1937.

[Notarial Seal]

Jess Chenoweth

Notary Public in and for the County of Los Angeles  
 State of California

My Commission Expires June 8, 1939.

[Endorsed]: Filed 10:35 A. M. Feb. 3, 1937 R. S. Zimmerman, Clerk By R. B. Clifton Deputy Clerk.



At a stated term, to wit: The February Term, A. D. 1937, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles, California on Thursday, the 4th day of February in the year of our Lord one thousand nine hundred and thirty-seven.

Present:

The Honorable HARRY A. HOLLZER, District Judge.

In the Matter of	)	
	)	
American Marine Products Co.,	)	No. 29145-H-Bkcy.
a corp.,	)	
	)	Debtor.

This matter coming on for submission on petition of Globe Grain & Milling Co., et al., to intervene; Edwin L. Searl, Esq., appearing for the Trustee, makes a statement, whereupon

It is ordered the petition of Globe Grain & Milling Co., et al., for leave to intervene be denied without prejudice to renewing same when conditions shall have changed. Exception noted to petitioners.

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

In the Matter of	)	
	)	
AMERICAN MARINE PRODUCTS	)	No. 29145 H
COMPANY,	)	
	)	
debtor	)	
In Bankruptcy Under Sec. 77-B of the	)	
Bankruptcy Act.	)	
<hr/>		

PETITION FOR AN ALLOWANCE OF APPEAL AND ORDER OF ALLOWANCE IN CONTROVERSY UNDER SECTION 77-B OF THE BANKRUPTCY ACT.

TO THE HONORABLE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF CALIFORNIA, CENTRAL DIVISION.

Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Company, appellants and petitioners in the above entitled proceedings considering themselves aggrieved by the Order and Decree made and entered in said cause on the 4th day of February, 1937, hereby appeals from said Order and Decree

and the whole thereof to the United States Circuit Court of Appeals for the Ninth Judicial Circuit for the reasons specified in their Assignment of Errors filed herewith, that a transcript of the record, proceedings and papers upon which said Decree and Order was made and entered as aforesaid, duly authenticated, may be sent to said Circuit Court of Appeals sitting at San Francisco. The Decree and Order above referred to and from which these appellants and petitioners desire to appeal, as aforesaid, adjudged and decreed among other things that the appellants and petitioners herein in effect did not come within the purview nor were not interested under Sec. 77-B of the Bankruptcy Act to intervene in the above proceedings.

AND SAID PETITIONERS further pray that this honorable court may enter an order allowing such appeal and fixing the amount of security to be required to perfect their appeal.

HIBBARD & KLEINDIENST

By Louis Kleindienst

Attorneys for Appellants and Petitioners, Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Co.

## ORDER ALLOWING APPEAL

The foregoing Petition for Appeal having been presented to the Court and by it duly considered, it is hereby ordered that the said petition be and the same is hereby granted and allowed, and the bond on appeal to be given on behalf of the appellants and petitioners is hereby fixed

[L.S.B. F.M.] debtor

at \$250/00 to cover the costs of the ~~bankrupt~~ corporation, American Marine Products Company, in this action, to be conditioned according to law.

March

Dated this 4th day of ~~February~~, 1937.

H A Hollzer

Judge

Approved as to form, this 15 day of February, 1937.

Leslie S. Bowden

FRANK MERGENTHALER

by Leslie S. Bowden

Attorney for Debtor

[Endorsed]: Received copy of the within Petition this 15th day of February 1937 Leslie S. Bowden & Frank Mergenthaler Attorneys for debtor Filed Mar 4, 1937 1:55 P M R. S. Zimmerman, Clerk By R. B. Clifton Deputy Clerk

[TITLE OF COURT AND CAUSE.]

### ASSIGNMENT OF ERROR

The Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Company, petitioners to intervene in the above entitled proceedings, file with their petition for appeal herein Assignments of Error as follows:

#### THE TRIAL COURT ERRED:

1. In effect holding that appellants and petitioners were not sufficiently interested in said proceedings to be allowed to intervene under Sec. 77-B sub sec. (c) of the Bankruptcy Act.

2. In effect holding that appellants and petitioners were not interested in said proceedings to be allowed to intervene under Sec. 77-B sub sec. (c) of the Bankruptcy Act.

3. In effect holding that appellants and petitioners did not come within the purview of Sec. 77-B of the Bankruptcy Act.

#### HIBBARD & KLEINDIENST

By Louis Kleindienst

Attorneys for Appellants and Petitioners, Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Products Company.

[Endorsed]: Received copy of the within Assignment of Error this 15th day of February 1937 Leslie S. Bowden & Frank Mergenthaler Attorneys for debtor Filed 1:55 P M Mar. 4, 1937 R. S. Zimmerman, Clerk By R B Clifton Deputy Clerk

[TITLE OF COURT AND CAUSE.]

UNDERTAKING FOR COSTS ON APPEAL

Whereas, the petitioners and appellants, Globe Grain and Milling Company, a corporation, Industrial Oil Products Corporation, a corporation, and Murray Oil Products Company, a corporation, has appealed, or is about to appeal to the Circuit Court of Appeals for the Ninth Circuit from an order and decree entered against them in said matter in the District Court of the United States, Southern District of California, Central Division, in favor of the debtor in said matter in said action on the 4th day of February of A. D. 1937, denying said petitioners and appellants the right to intervene in said matter.

NOW THEREFORE in consideration of the premises and of such appeal the undersigned Great American Indemnity Company, a corporation, organized and existing under the laws of the State of New York and duly authorized to transact a general business in the State of California, does hereby undertake and promise on the part of the petitioners and appellants that said petitioners and appellants will pay all damages and costs which may be awarded against them on the appeal, or on a dismissal thereof, not exceeding TWO HUNDRED FIFTY (\$250.00) DOLLARS, to which amount it acknowledges itself bound.

IN WITNESS WHEREOF, the said Surety has caused these presents to be executed and its official seal attached by its duly authorized Attorney in Fact at Los Angeles, California, the 10th day of March, A. D. 1937.

GREAT AMERICAN INDEMNITY  
COMPANY

Harold W McGee

Attorney in Fact. [Seal]

The premium charged for this bond is \$10/00 Dollars per annum.

The within bond is approved both as to sufficiency of surety and as to form this 11 day of March, 1937.

H. A. Hollzer

Judge

Examined and recommended for approval as provided by rule 28.

Louis Kleindienst

Attorney at Law.

State of California        ) )  
County of Los Angeles    ) )<sup>ss</sup>

On this 10th day of March, in the year 1937, before me Esther L. MacDonald, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn personally appeared Harold W McGee, known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of the Great American Indemnity Company, a corporation, and acknowledged to me that he subscribed the name of the Great American Indemnity Company, thereto as Principal and his own name as Attorney-in-fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Seal]

Esther L. MacDonald

Notary Public in and for said County and State.

My Commission Expires July 13, 1938.

[Endorsed]: Filed R. S. Zimmerman Clerk 10:38  
Mar 11 1937 A. M. By R. B. Clifton Deputy Clerk.

[TITLE OF COURT AND CAUSE.]

PRAECIPE INDICATING RECORD REQUIRED  
TO BE INCORPORATED IN TRANSCRIPT  
ON APPEAL

PLEASE TAKE NOTICE, that the appellants designate the following as portions of the record in this case to be incorporated in the transcript on appeal:

1. Debtor's petition for reorganization, filed December 31, 1936.
2. Order approving debtor's reorganization petition, etc., filed December 31, 1936.
3. Petition of appellants to intervene, filed February 1st, 1937.
4. Answer of debtor to petition of appellants to intervene which was filed February 3, 1937.
5. Petition for allowance of appeal and order of allowance.
6. Minute Order dated 3/4/37, denying petition of appellants to intervene, with exception allowed.
7. All minute entries in said proceedings.
8. Assignment of Error filed March 4, 1937.
9. Citation filed March 4, 1937.
10. Bond on appeal, approved and filed March 11, 1937.
11. This praecipe.

HIBBARD & KLEINDIENST

By Louis Kleindienst

Attorneys for Appellants

[Endorsed]: Filed R. S. Zimmerman, Clerk 1:25  
Mar. 17, 1937 P M. By R B Clifton Deputy Clerk



[TITLE OF COURT AND COURT.]

CLERK'S CERTIFICATE.

I, R. S. Zimmerman, clerk of the United States District Court for the Southern District of California, do hereby certify the foregoing volume containing 58 pages, numbered from 1 to 58, inclusive, to be the Transcript of Record on Appeal in the above entitled cause, as printed by the appellants, and presented to me for comparison and certification, and that the same has been compared and corrected by me and contains a full, true and correct copy of the citation; Debtor's petition for its corporate reorganization; order approving Debtor's reorganization petition authorizing Debtor's continuance in possession, etc.; orders of January 18, 1937, January 25, 1937, January 26, 1937, and January 27, 1937; petition of Globe Grain and Milling Company and Industrial Oil Products Corporation to intervene, and petition of Murray Oil Products Company to intervene; order of February 1, 1937; answer to petitions of Globe Grain and Milling Company, Industrial Oil Products Corporation and Murray Oil Company to intervene; order of February 4, 1937; petition for appeal and order allowing appeal; assignment of errors; undertaking for costs on appeal, and praecipe.

I DO FURTHER CERTIFY that the amount paid for printing the foregoing record on appeal is \$            and that said amount has been paid the printer by the appellants herein and a receipted bill is herewith enclosed, also that

the fees of the Clerk for comparing, correcting and certifying the foregoing Record on Appeal amount to..... and that said amount has been paid me by the appellants herein.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of the District Court of the United States of America, in and for the Southern District of California, Central Division, this..... day of April, in the year of Our Lord One Thousand Nine Hundred and Thirty-seven and of our Independence the One Hundred and Sixty-first.

R. S. ZIMMERMAN,  
 Clerk of the District Court of the  
 United States of America, in  
 and for the Southern District  
 of California.

By

Deputy.